

**INDIANA ECONOMIC
DEVELOPMENT CORPORATION**

August 15, 2006

Beth Krogel Roads
Assistant General Counsel
Indiana Utility Regulatory Commission

Dear Ms. Roads:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with rule changes proposed by the Indiana Utility Regulatory Commission ("IURC") and contained in LSA Document 06-45, which amends 170 IAC 7-6-1 through 170 IAC 7-6-3 and adds 170 IAC 7-6-4 through 170 IAC 7-6-6 regarding disconnection of a local exchange carrier by another local exchange carrier, notice of bankruptcy, relinquishment of service, and revocation of certificate of territorial authority.

The small business impact statement provided for the rule indicates that the rule changes would potentially affect a maximum of 62 small businesses in the telecommunications industry. The economic impact associated with the rule includes costs for Competitive Local Exchange Carriers ("CLEC") attributable to providing notice to customers and to the IURC that the CLEC is being disconnected from service by another CLEC. The statement further indicates that these costs are minimal and are only necessary in limited circumstances. Also, the notification requirements involve information that is readily available to affected CLECs.

Importantly, the impact statement notes that over the past three years over \$1.3 million was owed to CLECs by other CLECs subject to disconnection. The notification procedures provided for under the rule could reduce the cost to disconnecting CLECs associated with delinquent payments from other CLECs. Also, the notification procedures contained in the rule support the continuity of service for customers served by CLECs facing disconnection.

The IEDC does not object to the economic impact associated with the proposed rule changes. If you have any questions about the comments contained herein please contact me at 232-8962 or rasberry@iedc.in.gov.

Regards,



Ryan Asberry
Director - Research
Indiana Economic Development Corporation